

The CPE Corner

The 120 Hour Rule

Rule 13 is the Board Rule that has all the information concerning the requirements for your Continuing Professional Education (CPE). In our last newsletter we covered the basic requirements for your CPE including the Ethics requirement. In this newsletter, we will cover the proper use of the 120 hour rule.

Board Rule 13.2(a) states: “An applicant for renewal of license must have completed acceptable continuing education, except as otherwise provided in Section 13.2(b), in the amount of 120 hours within 36 months or 40 hours within 12 months ***immediately preceding*** (emphasis added) January 1 of the year for which the license is renewed.” One of the most common misunderstandings in using the 120 hour rule is that people look at the 36 months period as a “look forward” period rather than a “look back” period. The word that most people seem to miss is “preceding”. This means that the CPE must be obtained in the **previous year(s)** before the year of the license renewal, not in the future years.

The Correct Way to Use the 120 Hour Rule:

A person who obtained 45 hours of CPE in 2006 and 40 hours in 2007 only had to obtain 35 hours in 2008 to use the 120 hour rule for the licensing year of 2009. The 36 months preceding the licensing year were January 1, 2006 to December 31, 2008.

Incorrect Usages of the 120 Hour Rule:

- (1) A person has 40 hours in 2006 and 50 hours in 2007 for a total of 90 hours. Because they had more than the required 40 hours in 2007, many think they can obtain the remaining 30 hours in 2009. In this example the licensee would be trying to use a year that is not in the preceding 36 months of January 1, 2006 to December 31, 2008.
- (2) Another misunderstanding is that sometimes a new licensee thinks they can immediately use the 120 hour rule and plan their CPE according to a “look forward” period. For example, they are trying to renew their license for 2009 and they have 30 hours of CPE in 2008 and plan to take 50 hours in 2009 and 40 hours in 2010 to make a total of 120 hours. Because Board Rule 13.2(a) states that the CPE must be obtained in the 36 months ***immediately preceding*** January 1 of the licensing year, then this person’s plan does not meet the rule. Only the CPE obtained in 2008 would fall in the preceding 36 months period.
- (3) Remember that you must meet all the requirements of Rule 13 when using the 120 hour rule. For example, you must obtain at least 48 hours of group study in the preceding 36 months period. You can’t have only 44 hours of group study in that period and plan to take another 4 hours during the current licensing year. You must meet all the requirements during the 36 months “look-back” period.

To help you to see the 120 hour rule a little better for the preceding 36 months period, please refer to the following chart:

2009 Licensing Year	Preceding 36 months period is January 1, 2006 to December 31, 2008
2010 Licensing Year	Preceding 36 months period is January 1, 2007 to December 31, 2009
2011 Licensing Year	Preceding 36 months period is January 1, 2008 to December 31, 2010